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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

Patty Irving, an individual, and
Stacy Hahlen, an individual, on
behalf of themselves and all others
similarly situated,

Case No.

CLASS ACTION COMPLAINT FOR DAMAGES AND EQUITABLE RELIEF

Plaintiffs,

V.

Lumber Liquidators, Inc., a
Delaware corporation, and Does 1
through 100,

Defendants.

1 Plaintiffs Patty Irving and Stacy Hahlen (collectively “Plaintiffs”), on behalf
 2 of themselves and all others similarly situated, allege as follows:
 3
 4

INTRODUCTION

5 1. Defendant Lumber Liquidators, Inc. (“Defendant”) misrepresents
 6 that its laminate flooring products and engineered hardwood flooring products are
 7 of the highest quality and safety, saying: “we not only comply with laws – we
 8 exceed them,”¹ calling its products the “Highest Quality Flooring.
 9 GUARANTEED,”² and stating that “as flooring experts we care too much to sell
 10 anything but the SAFEST & HIGHEST QUALITY FLORING.”³

11 2. Lumber Liquidators’ website falsely and deceptively misrepresents
 12 that it has affirmatively chosen to comply with California’s strict California Air
 13 Resources Board’s (“CARB”) Formaldehyde Emission Standards for its
 14 Composite Floors sold and offered for sale nationwide, despite the fact that those
 15 products are not compliant. Specifically, Lumber Liquidators’ website states that
 16 “Lumber Liquidators made a decision to require all of our vendors to comply with
 17 the California Air Resources Board regulations regardless of whether we intended
 18 to sell the products in California or any other state/country.”⁴

19 3. Lumber Liquidators falsely claims that “Laminate and engineered
 20 flooring products sold by Lumber Liquidators are purchased from mills whose
 21 production method has been certified ... to meet the CARB standards,” and that
 22 “The scope of certification includes ... that their products conform to the specified
 23 regulation limits.”⁵

24
 25 ¹ http://www.lumberliquidators.com/assets/web/Highest_Quality_Flooring_Guarantee/index.html (last visited on March 10, 2015).

26 ² *Id.*

27 ³ <http://www.lumberliquidators.com/l1/home> (last visited on March 10, 2015).

28 ⁴ *Id.*

⁵ <http://www.lumberliquidators.com/l1/flooring/ca-air-resources-board-regulations> (last visited on March 11, 2015).

1 4. These claims are false. Lumber Liquidators has sold, and continues to
2 sell, various composite wood flooring products which emit formaldehyde in levels
3 that pose serious health risks to consumers and far exceed the maximum levels
4 allowed by CARB. Lumber Liquidators has knowingly imported and sold various
5 lines of its Chinese-manufactured laminate and engineered wood flooring products
6 that contain unlawfully high levels of formaldehyde, potentially creating unsafe
7 indoor environments in the homes and businesses in which they are installed. In
8 doing so, Defendant has affirmatively mislabeled and falsely advertised these
9 flooring products as safe and compliant with California formaldehyde emission
10 standards.

11 5. Composite wood flooring products, including laminate and engineered
12 flooring, contain a core of inexpensive pressed wood products, such as medium-
13 density fiberboard or plywood. These wood products are laminated together with
14 adhesives or resins that contain formaldehyde, a known carcinogen regulated under
15 California law. Those core materials are then covered by a thin decorative layer of
16 finish material, either a veneer of wood or printed photograph of wood.

17 6. While low levels of formaldehyde in composite wood products likely
18 do not pose a significant health risk to people, at higher concentrations, the
19 products emit formaldehyde as a gas or vapor at dangerous levels.

20 7. Long-term exposure to high concentrations of airborne formaldehyde
21 is known to increase the risk of cancer, including nasopharyngeal cancer, lung
22 cancer, and myeloid leukemia. At lower levels, prolonged exposure can cause
23 respiratory irritation, changes in lung function, asthma, asthma attacks in asthmatic
24 individuals, irritation of the eye, nose, throat, and skin, coughing, wheezing, chest
25 pains, bronchitis, headaches, dizziness, and nausea. While these effects can be
26 experienced by people of all ages, children are at particularly high risk.

27 8. In 2007, the California Air Resources Board (“CARB”) adopted
28 regulations intended to protect public health by setting maximum allowable levels

1 of formaldehyde emissions from all composite wood products, including laminate
2 and engineered flooring, sold or offered for sale within the State of California.

3 9. Under the CARB regulations, all composite wood products must be
4 CARB compliant, and labeled as such, to be legally sold or offered for sale within
5 California.

6 10. Lumber Liquidators controls, directs, oversees, manages, and
7 supervises several Chinese mills which produce and manufacture various lines of
8 laminate and engineered flooring products for Lumber Liquidators. Lumber
9 Liquidators packages these products, advertises and labels them as CARB
10 compliant, and distributes them through its 340 retail outlets nationwide, its retail
11 website, and its toll free telephone number.

12 11. On information and belief, between October 2013 and December 2014,
13 three accredited and certified laboratories tested more than 150 different boxes of
14 Composite Floors sold by Lumber Liquidators and found that, despite being labeled
15 as CARB compliant, these products averaged between **six and seven times the**
16 **legal limit** for formaldehyde emissions of composite wood products sold in
17 California, with **up to twenty times** this legal limit found in some products. These
18 same laboratories tested similar products sold by Lowe's and Home Depot, as well
19 as non-Chinese-manufactured composite flooring sold by Lumber Liquidators, and
20 found that these products' formaldehyde emissions fell within legal limits, and
21 complied with CARB emission standards.

22 12. Between October and December 2014, these test results were verified
23 by 60 Minutes news, which conducted its own independent investigation of
24 Lumber Liquidators' Chinese-made Composite Floors. The 60 Minutes
25 investigation included the testing of 31 boxes of Lumber Liquidators' products
26 purchased from Lumber Liquidators' retail outlets in Virginia, Florida, Texas,
27 Illinois, and New York. 30 out of those 31 boxes, all of which were labeled as

1 CARB compliant, tested above legal limit of formaldehyde emissions, with some of
 2 these tests revealing **more than thirteen times** the legal limit.⁶

3 13. Despite these excessive formaldehyde emissions, Lumber Liquidators
 4 nevertheless mislabeled, and continues to mislabel, boxes of its Chinese-made
 5 composite wood products as “CALIFORNIA 93120 Phase 2 Compliant for
 6 Formaldehyde.” As a part of the 60 Minutes report, undercover reporters sent to
 7 three Chinese mills that manufacture Lumber Liquidators’ Composite Floors
 8 found employees there who openly “admitted falsely labeling the company’s
 9 laminate flooring as CARB [Phase] 2 [compliant], meaning it meets California
 10 formaldehyde emissions standards.”⁷

11 14. 60 Minutes’ undercover reporters visiting the three Chinese mills
 12 making Lumber Liquidators’ Composite Floors also found that “employees at the
 13 mills openly admitted that they use core boards with higher levels of formaldehyde
 14 to make Lumber Liquidators laminates, saving the company 10-15 percent on the
 15 price.” Representative for all three of the mills that 60 Minutes visited told the
 16 undercover investigators that those mills are fully capable of producing CARB
 17 compliant composite flooring, only at a higher cost than non-compliant laminate
 18 flooring.

19 15. Despite Lumber Liquidators’ savings of between 10-15 percent off the
 20 cost of its Chinese-produced Composite Floors through the use of adhesives in its
 21 products that are not CARB compliant, Lumber Liquidators sells those products at
 22 the same price for which compliant products are normally sold to consumers by
 23 mislabeling and falsely advertising the products.

24 16. Instead of providing notice to consumers regarding the risks
 25 associated with its Chinese-made Composite Floors’ dangerously high

26 ⁶ *Lumber Liquidators Linked to Health and Safety Violations*, 60 Minutes (Mar. 1,
 27 2015), available at <http://www.cbsnews.com/news/lumber-liquidators-linked-to-health-and-safety-violations/> (last visited March 10, 2015).

28 ⁷ *Id.*

1 formaldehyde emission levels, Lumber Liquidators misrepresents and warrants that
 2 those products comply with CARB regulations through its packaging and labeling
 3 of those products, and lulls consumers into a false sense of security by stating on its
 4 website that “we not only comply with laws – we exceed them,”⁸ calling its
 5 products the “Highest Quality Flooring. GUARANTEED”⁹ and stating that “as
 6 flooring experts we care too much to sell anything but the SAFEST & HIGHEST
 7 QUALITY FLORING.”¹⁰

8 17. Making matters worse, instead of acknowledging the problems with its
 9 products and mitigating their harmful effects, Lumber Liquidators has doubled-
 10 down on its deceptive business practices since the 60 Minutes news story aired,
 11 updating its website to state that “Lumber Liquidators’ products are safe and meet
 12 the highest quality and environmental standards,”¹¹ that “our commitment begins
 13 with meeting the most stringent environmental and quality standard,”¹² and
 14 ensuring consumers that “our products are safe, [and] meet all governmental
 15 requirements.”¹³

16 18. Lumber Liquidators deliberately ignored, and continues to deliberately
 17 ignore, its obligations to its consumers and continues to engage in a calculated
 18 campaign of misinformation and false advertising to unjustly enrich itself at the
 19 expense of its customers’ health and safety. In 2014 alone, Lumber Liquidators’
 20 sales are estimated to have exceeded \$1,000,000,000.

21 19. In 2012 and 2013, Plaintiff Stacey Hahlen purchased “12mm Dream
 22 Home St. James Vintner’s Reserve Laminate Flooring” from Lumber Liquidators

24 ⁸ http://www.lumberliquidators.com/assets/web/Highest_Quality_Flooring_Guarantee/index.html (last visited on March 10, 2015).

25 ⁹ *Id.*

26 ¹⁰ <http://www.lumberliquidators.com/ll/home> (last visited on March 10, 2015).

27 ¹¹ http://www.lumberliquidators.com/sustainability/health-and-safety/?WT.ad=HOME_Safety_Top (last visited on March 10, 2015).

28 ¹² *Id.*

¹³ *Id.*

1 retail outlets located in Illinois and Wisconsin and installed this product in her
2 Rockford, Illinois residence. "12mm Dream Home St. James Vintner's Reserve
3 Laminate Flooring" is one of the Lumber Liquidators Chinese-manufactured
4 Composite Floors which was found to produce formaldehyde emissions above the
5 CARB limit even though it was labeled as CARB compliant at the time of Plaintiff's
6 purchase.

7 20. In 2013, Plaintiff Patty Irving purchased "12mm Ispiri Poplar Forest
8 Oak Laminate Flooring" from a Lumber Liquidators retail outlet located in Santa
9 Rosa, California and installed this product in her Petaluma, California residence.
10 Although the "Ispiri Poplar Forest Oak 12mm Laminate Flooring" is one of the
11 Lumber Liquidators Chinese-manufactured Composite Floors that emits
12 formaldehyde at levels above the CARB limit, it was labeled as CARB compliant at
13 the time of Plaintiff's purchase.

14 21. Plaintiffs and members of the Class each paid hundreds or thousands
15 of dollars for composite flooring materials and associated accessory products.
16 Many then paid hundreds or thousands more for labor and other costs to
17 permanently incorporate those products into their homes and businesses only to be
18 burdened by prolonged and constant exposure to a potent carcinogen. Now, these
19 same parties will be forced to either incur additional costs to remove and replace
20 these products, or to suffer diminished property values as a result of required
21 disclosures of the permanent incorporation of these hazardous products into their
22 real property.

23

24 **PARTIES**

25 22. This action is brought by Plaintiffs Patty Irving and Stacy Hahlen on
26 behalf of a class comprising all similarly situated consumers in the United States
27 who purchased one or more of the Chinese-made Composite Floors from the
Defendant. Plaintiffs and Class members assert claims against Defendant for

1 violations of The California Unfair Competition Law (“UCL”), violations of The
2 California False Advertising Law (“FAL”), violations of the Consumer Legal
3 Remedies Act (“CLRA”), Breach of Implied Warranty, Breach of Express
4 Warranty, Unjust Enrichment, Deceit by Concealment, Negligent
5 Misrepresentation, Intentional Misrepresentation, violations of the Virginia
6 Consumer Protection Act, and violations of the Illinois Consumer Fraud and
7 Deceptive Business Practices Act. Plaintiffs and Class Members seek restitution,
8 damages and equitable relief, including disgorgement of profits, and appropriate
9 attorney’s fees and costs.

10 23. Plaintiff Stacy Hahlen is an individual who resides in Winnebago
11 County, Illinois. She purchased Lumber Liquidators’ Chinese-made Composite
12 Floors in 2012 and 2013.

13 24. Plaintiff Patty Irving is an individual who resides in Sonoma County,
14 California. She purchased Lumber Liquidators’ Chinese-made Composite Floors in
15 2013.

16 25. Defendant Lumber Liquidators, Inc., is a Delaware corporation that
17 has its principal place of business at 3000 John Deere Road, Toano, Virginia 23168.
18 Defendant Lumber Liquidators controls, directs, oversees, manages, and/or
19 supervises the manufacturing in China of various lines of Composite Floors,
20 including laminate and engineered flooring. Lumber Liquidators distributes those
21 lines of composite flooring to its 340 retail outlets throughout the United States,
22 including those within the states of California, Illinois, and Virginia. Through
23 those outlets, along with its website and toll-free telephone number, Lumber
24 Liquidators places these Composite Floors in the stream of commerce throughout
25 the United States, including in California, Illinois, and Virginia. Lumber
26 Liquidators has received, and continues to receive, substantial benefits and income
27 through the sale of Chinese-made Composite Floors.

26. The true names and capacities, whether individual, corporate, associate or otherwise of certain manufacturers, distributors or their alter egos sued herein as DOES 1 through 100 inclusive are presently unknown to Plaintiffs who therefore sue these defendants by fictitious names. Plaintiffs will seek leave of this Court to amend the complaint to show their true names and capacities when the same have been ascertained. Plaintiffs are informed and believe and thereon allege that DOES 1 through 100 were authorized to do and did business in California and/or Virginia and the United States. Plaintiffs are further informed and believe and thereon on allege that DOES 1 through 100 were or are in some manner or way responsible for and liable to Plaintiffs for the events, happening, and damages hereinafter set forth below.

JURISDICTION AND VENUE

27. This Court has subject matter jurisdiction over the class action pursuant to 28 U.S.C. § 1332 because the matter in controversy exceeds \$5,000,000, exclusive of interest and costs, because the proposed Class consists of 100 or more members, and because minimum diversity exists.

28. This Court has personal jurisdiction over Defendant Lumber Liquidators because it is authorized to do business and does business in this district and has sufficient minimum contacts with this district. Additionally, Defendant Lumber Liquidators intentionally avails itself of the markets in this state through the promotion, marketing and sale of its flooring products in this district. These actions render the exercise of jurisdiction by this Court permissible under traditional notions of fair play and substantial justice.

29. Venue is proper in this District because a substantial part of the events or omissions giving rise to the claims occurred here, and Defendant regularly does business here. Additionally, venue is proper under Civil Code § 1780(d), and the declaration required by that subsection is attached to this Complaint as Exhibit 1.

1

FACTS COMMON TO ALL CAUSES OF ACTION

2

A. Dangers and Regulation of Airborne Formaldehyde

3

4 30. The United States Environmental Protection Agency, National
 5 Academy of Sciences, and International Agency for Research on Cancer have all
 6 recognized the carcinogenic effects caused by the inhalation of airborne
 7 formaldehyde.

8 31. In 1992, formaldehyde was designated as a toxic air contaminant by
 9 the State of California, with no safe level of exposure. As a result, under state law,
 10 CARB was required to take action to reduce human exposure to formaldehyde.
 11 CARB's evaluation of how to address this issue found that one of the major sources
 12 of formaldehyde exposure is from inhalation of formaldehyde emissions from
 13 composite wood products, including laminate and engineered flooring.

14 32. On April 26, 2007, CARB approved an Airborne Toxic Control
 15 Measure to reduce human exposure to formaldehyde emissions from composite
 16 wood products. On April 18, 2008, the Office of Administrative Law approved this
 17 Airborne Toxic Control Measure, which was then filed with the Secretary of State
 18 and codified as the Formaldehyde Emission Standards under Title 17 of the
 19 California Code of Regulations. Cal. Code Regs., tit. 17 § 93120.2.

20 33. CARB's Formaldehyde Emission Standards, which went into effect
 21 on January 1, 2009, were implemented in two phases mandating decreased levels of
 22 emissions over time. Cal. Code Regs., tit. 17 § 93120.2(a).

23 34. The CARB Formaldehyde Emission Standards set maximum
 24 allowable formaldehyde emissions from medium-density fiberboard (MDF)
 25 composite wood products used in laminate flooring, as well as plywood composite
 26 wood products used in engineered flooring.

27 35. Under Phase 1, effective from January 1, 2009, through December 31,
 28 2010, MDF formaldehyde emissions could not exceed 0.21 parts per million

1 (“ppm”). Under Phase 2 effective from January 1, 2011, through the present,
2 MDF formaldehyde emissions may not exceed 0.11 ppm. For thin MDF composite
3 wood products (less than 8 millimeters in thickness), Phase 1 effective from
4 January 1, 2009, through December 31, 2011, limited formaldehyde emissions to
5 0.21 ppm.

6 36. Under Phase 2 effective from January 1, 2012, through the present,
7 thin MDF formaldehyde emissions may not exceed 0.13 ppm. For veneer core
8 plywood composite wood products, Phase 1 effective January 1, 2009, through
9 December 31, 2009, limited formaldehyde emissions to 0.08 ppm. Under Phase 2
10 effective January 1, 2010, through the present, veneer core plywood formaldehyde
11 emissions may not exceed 0.05 ppm. For composite core plywood products, Phase
12 1 effective July 1, 2009, through June 30, 2012, limited formaldehyde emissions to
13 0.08 ppm. Under Phase 2 effective July 1, 2012, through the present, composite
14 core plywood products may not exceed 0.05 ppm. Cal. Code Regs., tit. 17 §
15 93120.2(a). (Hereinafter, CARB emission limits are collectively referred to as
16 “Formaldehyde Emission Standards”).

17 37. Under CARB’s Formaldehyde Emission Standards, only complying
18 materials may be used in finished products which incorporate those materials,
19 regardless of whether the finished products cover or otherwise seal regulated
20 materials within non-regulated materials or finishes.

21 38. CARB’s Formaldehyde Emission Standards apply to composite wood
22 products including MDF products, which are used in laminate flooring products,
23 and plywood products which are used in engineered flooring products. Cal. Code
24 Regs., tit. 17 § 93120.2(a).

25 39. In 2010, President Obama signed the Formaldehyde Standards for
26 Composite Wood Products Act into law. This national regulation is modeled after
27 the CARB Formaldehyde Emission Standards, and seeks to protect the public at
28 the national level from the threat of airborne formaldehyde health risks. The

1 United States Environmental Protection Agency (“U.S. EPA”) has been tasked
 2 with implementing regulations through the addition of Title VI to the Toxic
 3 Substances Control Act, and is currently in the process of finalizing those
 4 regulations.

5

6 **B. Lumber Liquidators’ Chinese-made Composite Floors emit dangerous**
levels of formaldehyde

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8 40. Lumber Liquidators controls, directs, oversees, manages, and/or
 9 supervises several Chinese mills which produce and manufacture various lines of
 10 Composite Floors for Lumber Liquidators, including laminate and engineered
 11 flooring, that are labeled as CARB compliant. Lumber Liquidators then distributes
 12 those products through its 340 retail outlets nationwide. Lumber Liquidators also
 13 sells its Chinese-made laminate and engineered flooring products to customers
 14 throughout the United States and worldwide through its retail website, and through
 15 its toll free telephone number.

16

17 41. Lumber Liquidators lowers its cost, and increases its profit, on
 18 Chinese-made laminate flooring products by using less expensive and lower quality
 19 adhesives and resins which emit higher levels of airborne formaldehyde than more
 20 expensive and higher quality adhesives and resins, which are readily available.

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22 42. Lumber Liquidators’ Chinese-made Composite Floors produce
 23 airborne emissions of formaldehyde that exceed CARB Formaldehyde Emission
 24 Standards, and in some cases grossly exceed those standards.

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26 43. Lumber Liquidators’ Chinese-made Composite Floors include, among
 27 others, the following lines of products:

- 28 i. 8 mm Bristol County Cherry Laminate Flooring;
- 29 ii. 8 mm Dream Home Nirvana French Oak Laminate Flooring;
- 30 iii. 12 mm Dream Home Kensington Manor Antique Bamboo
 31 Laminate Flooring;

- iv. 12 mm Dream Home St. James Oceanside Plank Bamboo Laminate Flooring;
- v. 12 mm Dream Home Kensington Manor Warm Springs Chestnut Laminate Flooring;
- vi. 15 mm Dream Home St. James Sky Lakes Pine Laminate Flooring;
- vii. 12 mm Dream Home Ispiri Chimney Tops Smoked Oak Laminate Flooring;
- viii. 12 mm Dream Home Kensington Manor Imperial Teak Laminate Flooring;
- ix. 12 mm Dream Home St. James Vintner's Reserve Laminate Flooring;
- x. 12 mm Dream Home Kensington Manor Cape Doctor Laminate Flooring;
- xi. 12 mm Dream Home St. James Cumberland Mountain Oak Laminate Flooring;
- xii. 12 mm Dream Home Ispiri Americas Mission Olive Laminate Flooring;
- xiii. 12 mm Dream Home Kensington Manor Glacier Peak Poplar Laminate Flooring;
- xiv. 12 mm Dream Home Kensington Manor Golden Teak Laminate Flooring;
- xv. 12 mm Dream Home Kensington Manor Handscraped Imperial Teak Laminate Flooring;
- xvi. 12 mm Dream Home Kensington Manor Handscraped Summer Retreat Teak Laminate Flooring;
- xvii. 12 mm Dream Home Kensington Manor Sandy Hills Hickory Laminate Flooring;

- 1 xviii. 12 mm Dream Home Kensington Manor Tanzanian Wenge
 2 Laminate Flooring;
 3 xix. 8 mm Dream Home Nirvana Royal Mahogany Laminate
 4 Flooring;
 5 xx. 12 mm Dream Home St. James Blacksburg Barn Board
 6 Laminate Flooring;
 7 xxi. 12 mm Dream Home St. James Brazilian Koa Laminate
 8 Flooring;
 9 xxii. 12 mm Dream Home St. James Golden Acacia Laminate
 10 Flooring;
 11 xxiii. 12 mm Dream Home Ispiri Poplar Forest Oak Laminate
 12 Flooring;
 13 xxiv. 12 mm Dream Home Kensington Manor Fumed African
 14 Ironwood Laminate Flooring;
 15 xxv. 12 mm Dream Home St. James African Mahogany Laminate
 16 Flooring;
 17 xxvi. 12 mm Dream Home St. James Chimney Rock Charcoal
 18 Laminate Flooring;
 19 xxvii. 12 mm Dream Home St. James Nantucket Beech Laminate
 20 Flooring;
 21 xxviii. Mayflower 5/16" x 5" Bund Birch Engineered;
 22 xxix. Other laminate and engineered lines of flooring products not yet
 23 ascertained by Plaintiffs and the Class members.

24 44. Collectively, these various models will be referred to as the
 25 "Composite Floors."

26 45. The Lumber Liquidators Composite Floors listed above each contain
 27 MDF or Thin MDF wood composite products regulated by CARB Formaldehyde
 28 Emission Standards.

1 46. Lumber Liquidators offered for sale, sold, and continues to sell the
2 Composite Floors in California, Illinois, Virginia, and throughout the United
3 States.

4 47. Lumber Liquidators has mislabeled its Composite Floors as compliant
5 with CARB Formaldehyde Emission Standards when they are not.

6 48. Lumber Liquidators has falsely advertised and marketed its Composite
7 Floors as being compliant with CARB Formaldehyde Emission Standards when
8 they are not.

9 49. These misrepresentations and omissions are material and were relied
10 upon by all Plaintiffs and Class members who decided to purchase the Composite
11 Floors.

12 50. The Lumber Liquidators Composite Floors emit formaldehyde in
13 levels exceeding those permitted under CARB Formaldehyde Emission Standards.

14 51. The Lumber Liquidators Composite Floors are produced and
15 manufactured in China using common materials, chemicals, formulas, processes,
16 and/or designs.

17 52. Based on the widely recognized and serious health risks associated
18 with formaldehyde emissions, the permanent incorporation of Lumber Liquidators'
19 Chinese-made Composite Floors into structures owned or occupied by consumers
20 raises fears about adverse health consequences. Accordingly, consumers who have
21 already incurred material and labor costs through the purchase and incorporation of
22 these products into those structures, including Plaintiffs and other Class members,
23 can reasonably be expected to incur additional material and labor costs associated
24 with the removal and replacement of these products. In the alternative, required
25 disclosure of these products upon the sale of any property in which they have been
26 incorporated will foreseeably diminish the property value of any structure in which
27 these products have been incorporated and from which they are not removed and
28 replaced.

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2 **C. Lumber Liquidators Misrepresents the CARB Compliance of its**
 Composite Floors, those Products' Safety, and Quality

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8 53. Lumber Liquidators made, and continues to make, material
 misrepresentations regarding the formaldehyde emissions from its Composite
 Floors by mislabeling the packaging of these products as compliant with CARB
 Formaldehyde Emission Standards, even though they are not.

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12 54. Lumber Liquidators made, and continues to make, material
 misrepresentations regarding its Composite Floors' compliance with CARB
 Formaldehyde Emission Standards through false and/or deceptive advertising on
 its website. .

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16 55. Lumber Liquidators made, and continues to make, material
 misrepresentations regarding the safety of its Composite Floors by warranting that
 they are compliant with CARB Formaldehyde Emission Standards, even though
 they are not.

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22 56. Specifically, Lumber Liquidators' website states, under the heading
 “Is Lumber Liquidators Compliant with the California law?” that “Laminate and
 engineered flooring products sold by Lumber Liquidators are purchased from mills
 whose production method has been certified … to meet the CARB standards,” and
 that “The scope of certification includes … that their products conform to the
 specified regulation limits.”¹⁴

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28 57. Lumber Liquidators' website falsely and deceptively misrepresents,
 and warrants, that it has affirmatively chosen to comply with California's strict
 CARB Formaldehyde Emission Standards for its Composite Floors sold and
 offered for sale nationwide, despite the fact that those products are not compliant.
 Specifically, Lumber Liquidators' website states that “Lumber Liquidators made a

¹⁴ <http://www.lumberliquidators.com/ll/flooring/ca-air-resources-board-regulations>
 (last visited on March 11, 2015).

1 decision to require all of our vendors to comply with the California Air Resources
 2 Board regulations regardless of whether we intended to sell the products in
 3 California or any other state/country.”¹⁵

4 58. Lumber Liquidators’ website falsely and deceptively misrepresents
 5 that Lumber Liquidators takes affirmative steps to regularly and independently
 6 ensure each of its suppliers’ compliance with CARB Formaldehyde Emission
 7 Standards for its Composite Floors, despite the fact that those products are not
 8 compliant. Specifically, Lumber Liquidators’ website states that “Lumber
 9 Liquidators regularly selects one or more finished products from each of its
 10 suppliers and submits them for independent third-party lab testing. This is done as
 11 a monitoring activity to validate ongoing quality control.”¹⁶

12 59. Lumber Liquidators’ website falsely and deceptively misrepresents,
 13 and warrants, that it actually exceeds CARB Formaldehyde Emission Standards.
 14 Specifically, after claiming that its Composite Floors comply with CARB
 15 Formaldehyde Emission Standards, Lumber Liquidators’ letter from its founder
 16 and Chairman states that “We take our commitment to safety even further ... to
 17 provide our customers with top quality and high value flooring.”¹⁷ Lumber
 18 Liquidators’ website further states that “In addition, our suppliers manufacture
 19 their products in accordance with the European standard which has stricter
 20 guidelines than the California.”¹⁸

21 60. In response to the 60 Minutes exposé of Lumber Liquidators’ non-
 22 compliant Composite Floors, Lumber Liquidators posted a letter from its founder
 23 and Chairman, Tom Sullivan, containing additional false and deceptive
 24 misrepresentations, as well as warranties, on its website. Specifically, this letter

25 _____
 26 ¹⁵ *Id.*
 27 ¹⁶ *Id.*
 28 ¹⁷ *Id.*

¹⁸ http://t.lumberliquidators.com/view_question!PAGETYPE?sf=101133&documentid=415037&action=view (last visited on March 11, 2015).

1 begins: "Let me make one thing very clear – our laminate products, all of our
 2 products, are 100% safe."¹⁹ The letter goes on to state that "We comply with
 3 applicable regulations regarding our products, including California standards for
 4 formaldehyde emissions for composite wood products – the most stringent rules in
 5 the country."²⁰ These statements were made despite the fact that the Composite
 6 Floors are not compliant with CARB Formaldehyde Emission Standards.

7 61. Further, all of Lumber Liquidators' Chinese-made Composite Floors
 8 carry the following label: "CALIFORNIA 93120 Phase 2 Compliant for
 9 Formaldehyde."

10 62. Lumber Liquidators made, and continues to make, material omissions
 11 of fact by failing to inform consumers that its Composite Floors emit dangerous and
 12 illegal levels of airborne formaldehyde.

13 **D. Lumber Liquidators Knew its Representations about its Composite
 14 Floors were False**

15 63. At all times relevant to this action, Lumber Liquidators intentionally
 16 and knowingly misrepresented to consumers that its Chinese-made Composite
 17 Floors were compliant with CARB Formaldehyde Emission Standards, were safe,
 18 and were high quality.

19 64. At all times relevant to this action, Lumber Liquidators intentionally
 20 and knowingly failed to inform consumers of the hazardous and unlawful levels of
 21 formaldehyde emissions emanating from its Chinese-made Composite Floors.

22 65. Lumber Liquidators has direct knowledge of the compliance, safety,
 23 and quality of its Chinese-made Composite Floors because it manages, controls,
 24 directs, and oversees the manufacture, production, and quality control of products
 25 produced in its Chinese mills. According to its own statements, "[w]e are able to

27 ¹⁹ <http://www.lumberliquidators.com/sustainability/60-minutes-letter-from-tom/>
 28 (last visited on March 10, 2015).

²⁰ *Id.*

1 set demanding specifications for product quality ... our own product quality and
 2 assurance teams are on-site at the mills, coordinating inspection and assurance
 3 procedures.”²¹

4 66. At the same time that Lumber Liquidators marketed, represented, and
 5 warranted to consumers that its Chinese-made Composite Floors complied with
 6 CARB Formaldehyde Emission Standards, were safe, and were of high quality,
 7 Lumber Liquidators revealed its uncertainty about these representations to the
 8 SEC. Specifically, Lumber Liquidators’ SEC filing states that “[w]hile our
 9 suppliers agree to operate in compliance with applicable laws and regulations ... we
 10 cannot guarantee that they comply with such laws and regulations or operate in a
 11 legal, ethical and responsible manner ... their failure to operate in a legal, ethical
 12 and responsible manner could ... expose us to legal risks as a result of our purchase
 13 of product from non-compliant suppliers.”²²

14 67. Despite admitted uncertainty as to the quality or compliance of its
 15 Chinese-made Composite Floors, Lumber Liquidators continued to market and
 16 represent its products as having qualities they did not, namely that they were
 17 compliant with CARB Formaldehyde Emission Standards, safe, and of high quality.
 18 Such representations, made Class wide were without factual basis.

19 68. Although it acknowledged that it was aware that products
 20 manufactured in its Chinese mills may not be in compliance with CARB
 21 Formaldehyde Emission Standards, and that it had the capacity and ability to enact
 22 appropriate on-site quality control and assurance over those products, Lumber
 23 Liquidators failed to properly protect consumers through those or other measures.
 24 Instead Lumber Liquidators continues, to this day, to utilize these same

25
 26 ²¹ Lumber Liquidators February 19, 2014, SEC 10-K Filing, p. 5, <http://investors.lumberliquidators.com/index.php?o=25&s=127&year=2014> (last visited on March 12, 2015)

27 ²² *Id.* at p. 14.

1 manufacturers and sell non-compliant products to consumers in California, Illinois,
2 Virginia, and throughout the United States.

3 69. A June 20, 2013, news article published on the website *Seeking Alpha*
4 publicly exposed the non-compliant formaldehyde emission levels of a Lumber
5 Liquidators' Chinese-made composite wood flooring product known as Mayflower
6 5/16" x 5" Bund Birch Engineered, which was labeled as CARB compliant.
7 Testing of this product by a certified laboratory found that it emitted three and a
8 half times the legal formaldehyde emissions permissible under CARB
9 Formaldehyde Emission Standards.

10 70. Following the negative publicity associated with the *Seeking Alpha*
11 article which exposed non-compliant formaldehyde levels in its flooring products,
12 Lumber Liquidators stock price dropped precipitously, prompting a putative
13 federal securities class action lawsuit filed in the Eastern District of Virginia on
14 November 26, 2013. *Kiken v. Lumber Liquidators Holdings, Inc., et al.*, No. 4:2013-
15 cv-00157 (E.D. Va.). Through the course of this lawsuit, which is still pending,
16 Lumber Liquidators was notified of the allegations that its Chinese-made
17 Composite Floors produce formaldehyde emissions in violation of the CARB
18 Formaldehyde Emission Standards.

19 71. Lumber Liquidators knew, or should have known, based on litigation
20 and widely publicized news articles, that its Chinese-made Composite Floors
21 violate the CARB Formaldehyde Emission Standards for which they are labeled as
22 compliant. Despite its claimed ability and capacity to engage in on-site inspection
23 and quality control and assurance measures at its Chinese mills, Lumber
24 Liquidators failed to properly investigate, evaluate, correct, and mitigate its
25 ongoing violations of the applicable CARB Formaldehyde Emission Standards.
26 Instead, it continues to misrepresent and falsely advertise to consumers that its
27 Chinese-made Composite Floors are compliant with CARB Formaldehyde
Emission Standards, are safe, and are of high quality, while selling and offering

those products for sale in California, Illinois, Virginia, and throughout the United States.

72. Following the 60 Minutes exposé, Lumber Liquidators' Chief Executive Officer, Rob Lynch, publicly acknowledged that Lumber Liquidators was on notice that its Chinese-made composite flooring failed to meet the CARB Formaldehyde Emission Standards prior to the 60 Minutes story, due to preliminary CARB testing which revealed non-compliant formaldehyde levels in those products.

PLAINTIFF-SPECIFIC ALLEGATIONS OF FACT

73. **Stacy Hahlen:** Plaintiff Stacy Hahlen is a resident of Rockford, Illinois. In 2012 and 2013, Plaintiff Stacey Hahlen purchased “12mm Dream Home St. James Vintner’s Reserve Laminate Flooring” from Lumber Liquidators retail outlets located in Illinois and Wisconsin and installed this product in her Rockford, Illinois residence. “12mm Dream Home St. James Vintner’s Reserve Laminate Flooring” is one of the Lumber Liquidators Chinese-manufactured Composite Floors which was found to produce formaldehyde emissions above the legal limit even though it was labeled as CARB compliant at the time of Plaintiff’s purchase.

74. Plaintiff Stacy Hahlen relied on Lumber Liquidators' representations that the Composite Floors were safe and were compliant with CARB emissions requirements. Had she known those representations were not true, she would not have purchased the Composite Floors.

75. Plaintiff Hahlen did not learn of Lumber Liquidators' misrepresentations or of the dangers associated with its Composite Floors until the airing of the 60 Minutes expose.

76. **Patty Irving:** Plaintiff Patty Irving is a resident of Petaluma, California. In 2013, Plaintiff Patty Irving purchased “12mm Ispiri Poplar Forest Oak Laminate Flooring” from a Lumber Liquidators retail outlet located in

1 California and installed this product in her Petaluma, California residence. “12mm
 2 Ispiri Poplar Forest Oak Laminate Flooring” is one of the Lumber Liquidators
 3 Chinese-manufactured Composite Floors which was found to produce
 4 formaldehyde emissions above the legal limit even though it was labeled as CARB
 5 compliant at the time of Plaintiff’s purchase.

6 77. Plaintiff Patty Irving relied on Lumber Liquidators’ representations
 7 that the Composite Floors were safe and were compliant with CARB emissions
 8 requirements. Had she known those representations were not true, she would not
 9 have purchased the Composite Floors.

10 78. Plaintiff Irving did not learn of Lumber Liquidators’
 11 misrepresentations or of the dangers associated with its Composite Floors until the
 12 airing of the 60 Minutes exposé.

13

14 **CLASS ACTION ALLEGATIONS**

15 79. Plaintiffs bring this action pursuant to Rule 23(a), 23(b)(2) and
 16 23(b)(3) of the Federal Rules of Civil Procedure, on behalf of themselves and the
 17 members of the following Class:

18
 19 All persons in the United States who purchased or had installed in a
 20 home, residence, office, or other permanent structure any of Lumber
 21 Liquidators’ Chinese-made laminate or engineered flooring products
 22 labeled as CARB compliant between January 1, 2009, and the present
 (“Class Period”).

23
 24 80. Collectively, these persons will be referred to as “Class members” or
 25 “the Class.” Plaintiffs represent, and are members of, the Class. Excluded from
 26 the Class are Defendant and any entities in which Defendant or their subsidiaries or
 27 affiliates have a controlling interest, Defendant’s officers, agents and employees,
 28 the judicial officer to whom this action is assigned and any member of the Court’s

1 staff and immediate families, as well as Class members' claims for personal injury,
2 wrongful death, and emotional distress caused by Defendant's Chinese-made
3 Composite Floors.

4 81. On information and belief, Plaintiffs do not know the exact number of
5 members in the Class, but reasonably believe that Class members number in the
6 hundreds of thousands, if not millions. As such, Class members are so numerous
7 that joinder of all members is impractical.

8 82. Well-defined, common legal and factual questions affect all Class
9 members. These common questions predominate over questions that might affect
10 individual Class members. Common questions include but are not limited to
11 whether Defendant's advertising, in any medium, was unfair, deceptive, untrue, or
12 misleading; whether Defendant sold its Chinese-made Composite Floors with
13 knowledge of their non-compliance with CARB Formaldehyde Emission
14 Standards; whether Defendant violated implied and express warranties, and others.

15 83. Plaintiffs will fairly and adequately represent and protect the interests
16 of all Class members, and Plaintiffs have no interests which are antagonistic to
17 those of Class members. Plaintiffs have retained counsel with experience
18 prosecuting consumer class action and complex litigation claims.

19 84. A class action is superior to all other available methods for the fair and
20 efficient adjudication of the controversy for the following reasons:

- 21 i. It is economically impractical for members of the Class to prosecute
22 individual actions;
- 23 ii. The Class is readily definable; and
- 24 iii. Prosecution as a class action will eliminate the possibility of repetitious
25 litigation.

26 85. A class action will cause an orderly and expeditious administration of
27 the claims of the Class. Economies of time, effort, and expense will be fostered and
28 uniformity of decisions will be ensured.

86. Class wide relief is essential to compel Defendant to comply with California, Illinois, Virginia, and federal law. The interest of Class members in individually controlling the prosecution of separate claims against Defendant is small because the damages in an individual action, while significant, are insufficient to warrant the costs associated with individually litigating each claim separately. Management of the claims here is likely to present significantly fewer difficulties than are presented in many class claims because the Chinese-made Composite Floors at issue are a distinct group of individual product lines that are each identical from customer to customer and Defendant's failure to comply with CARB Formaldehyde Emission Standards is identical for each purchaser.

87. Defendant has acted on grounds generally applicable to the Class, thereby making final injunctive relief and corresponding declaratory relief with respect to the Class as a whole appropriate. Moreover, the violations complained of herein are substantially likely to continue in the future if an injunction is not entered.

FIRST CAUSE OF ACTION

Violation of the Virginia Consumer Protection Act

(Va. Code § 59.1-196 *et seq.*)

88. Plaintiffs re-allege and incorporate by reference the allegations set forth above.

89. This cause of action is brought pursuant to Virginia Code §§ 59.1-196 *et seq.*, which provides that it is unlawful for any supplier of consumer goods to engage in the following acts: “[m]isrepresenting the source, sponsorship, approval, or certification of goods or services”; “[m]isrepresenting that goods or services have certain ... characteristics, ingredients, uses, or benefits”; “[m]isrepresenting that goods or services are of a particular standard, quality, grade, style, or model”; “[a]dvertising or offering for sale goods that are ...

1 defective ... or that are ... ‘not first class,’ without clearly and unequivocally
 2 indicating in the advertisement or offer for sale that the goods are ... defective ...
 3 or are ... ‘not first class’”; “[u]sing any other deception, fraud, false pretense,
 4 false promise, or misrepresentation in connection with a consumer transaction.”
 5 Va. Code § 59.1-200.

6 90. Defendant is a “supplier” of consumer goods as defined by the
 7 Virginia Consumer Protection Act. Va. Code § 59.1-198.

8 91. In its advertising and marketing of the Chinese-made Composite
 9 Floors, Defendant makes false and misleading statements that the products are
 10 compliant with CARB Formaldehyde Emission Standards, are safe, and are of high
 11 quality.

12 92. Plaintiffs purchased the Chinese-made Composite Floors that
 13 Defendant unfairly, unlawfully, deceptively, and misleadingly represented are
 14 compliant with CARB Formaldehyde Emission Standards, are safe, and are of high
 15 quality. In fact, the Chinese-made Composite Floors are none of those things.

16 93. Defendant engaged in the deceptive conduct alleged above, which
 17 included deceptive and untrue representations regarding the Chinese-made
 18 Composite Floors, made to induce the public to purchase the product and to incur
 19 additional expenses by permanently incorporating them into real property.

20 94. In its marketing and advertising, Defendant makes knowingly false and
 21 misleading statements regarding the characteristics, ingredients, uses, or benefits of
 22 the Chinese-made Composite Floors.

23 95. Defendant advertises its Chinese-made Composite Floors and offers
 24 those products for sale without clearly and unequivocally indicating in the
 25 advertisement or offer for sale that those goods are defective or “not first class.”

26 96. Defendant’s false and misleading representations regarding its
 27 Chinese-made Composite Floors are willful, as Defendant is aware that the claims
 28 that it makes about the Chinese-made Composite Floors are false and misleading.

97. There were reasonably available alternatives to further Defendant's legitimate business interests, other than the conduct described herein.

98. Plaintiffs and Class members were misled and the misrepresentations and omissions were uniform and material.

99. Plaintiffs and Class members relied upon Defendant's false and misleading representations about its Chinese-made composite flooring in purchasing those products.

100. Pursuant to Virginia Code § 59.1-204, Plaintiffs and Class members seek an order of this Court enjoining Defendant from continuing to engage, use, or employ its practice of advertising the sale and use of the Chinese-made Composite Floors by claiming those products are compliant with CARB Formaldehyde Emission Standards, are safe, and are of high quality.

101. Plaintiffs also requests an order awarding Plaintiffs and Class members restitution of the money wrongfully acquired by Defendant by means of responsibility attached to Defendant's false and misleading representations.

102. Plaintiffs have each suffered injury in fact and have lost money as a result of Defendant's false representations.

SECOND CAUSE OF ACTION

Breach of Implied Warranty

103. Plaintiffs re-allege and incorporate by reference the allegations set forth above.

104. Defendant developed, designed, tested, manufactured, inspected, labeled, distributed, marketed, promoted, sold and otherwise released into the stream of commerce the Chinese-made Composite Floors, in the course of same, directly advertised or marketed the Chinese-made Composite Floors as described above to consumers, including Plaintiffs.

1 105. Defendant impliedly warranted its Chinese-made Composite Floors to
2 be of merchantable quality and fit for the common, ordinary, and intended uses for
3 which the product was sold.

4 106. Defendant breached its implied warranties for the Chinese-made
5 Composite Floors sold to Plaintiffs and Class members because this product was
6 not fit for its common, ordinary, and intended use.

7 107. As a direct, foreseeable and proximate result of Defendant's breaches
8 of implied warranties, Plaintiffs and Class members suffered injury and economic
9 losses when Plaintiffs and Class members purchased the Chinese-made Composite
10 Floors and incurred additional expenses to permanently incorporate them into real
11 property in reasonable reliance upon the implied warranties.

12 108. The following statutes reflect states that have enacted provisions of
13 the Uniform Commercial Code governing the implied warranty of merchantability:
14 Ala. Code §7-2-314; Alaska Stat. §45.02.314; Ariz. Rev. Stat. Ann. §47-2314; Ark.
15 Code Ann. §4-2-314; Cal. Com. Code §2314; Colo. Rev. St §4-2-314; Conn. Gen.
16 Stat. Ann. §42a-2-314; 6 Del. C. §2-314; D.C. Code §28:2-314; Fla. Stat. Ann.
17 §672.314; Ga. Code Ann. §11-2-314; Haw. Rev. Stat. §490:2-314; Idaho Code §28-
18 2-314; 810 Ill. Comp. Stat. Ann. 5/2-314; Ind. Code Ann. §26-1-2-314; Iowa Code
19 Ann. §554.2314; Kan. Stat. Ann. §84-2-314; Ky. Rev. Stat. Ann. §355.2-314; La.
20 Civ. Code Ann. art. §2520; 11 Me. Rev. Stat. Ann. §2-314; Md. Code Ann. §2-314;
21 Mass. Gen. Laws Ch. 106 §2-314; Mich. Comp. Laws Ann. §440.2314; Minn. Stat.
22 Ann. §336.2-314; Miss. Code Ann. §75-2-314; Mo. Rev. Stat. §400.2-314; Mont.
23 Code Ann. §30-2-314; Nev. Rev. Stat. U.C.O §104.2314; N.H. Rev. Ann. §382-
24 A:2-314; N.J. Stat. Ann. §12A:2-314; N.M. Stat. Ann. §55-2-314; N.Y. U.C.C. Law
25 §2-314; N.C. Gen. Stat. Ann. §25-2-314; N.D. Stat §41-02-314; Ohio Rev. Code
26 Ann. §1302.27; Okla. Stat. tit. 12A §2-314; Or. Rev. Stat. §72.3140; 13 Pa. Stat.
27 Ann. §2314; R.I. Gen. Laws §6A-2-314; S.C. Code Ann. §36-2-314; S.D. Stat.
28 §57A-2-314; Tenn. Code Ann. §47-2-314; Tex. Bus. & Com. Code Ann. §2-314;

1 Utah Code Ann. §70A-2-314; Va. Code §8.2-314; Vt. Stat. Ann. 9A §2-314; W. Va.
 2 Code §46-2-314; Wash. Rev. Code §62A 2-314; Wis. Stat. Ann. §402.314, and
 3 Wyo. Stat. §34.1-2-314.

4

5 **THIRD CAUSE OF ACTION**

6 **Breach of Express Warranty**

7 109. Plaintiffs re-allege and incorporate by reference the allegations set
 8 forth above.

9 110. Defendant developed, designed, tested, manufactured, inspected,
 10 labeled, distributed, marketed, promoted, sold and otherwise released into the
 11 stream of commerce the Chinese-made Composite Floors, in the course of same,
 12 directly advertised or marketed the Chinese-made Composite Floors as described
 13 above to consumers, including Plaintiffs.

14 111. Defendant expressly warranted that its Chinese-made Composite
 15 Floors were compliant with CARB Formaldehyde Emission Standards, safe, and of
 16 high quality.

17 112. Defendant breached its express warranties for the Chinese-made
 18 Composite Floors sold to Plaintiffs and Class members because this product was
 19 not compliant with CARB Formaldehyde Emission Standards, safe, or of high
 20 quality.

21 113. Plaintiffs and Class members reasonably relied upon Defendant's
 22 express warranties in purchasing Defendant's Chinese-made Composite Floors and
 23 incorporating them into real property.

24 114. As a direct, foreseeable and proximate result of Defendant's breaches
 25 of express warranties, Plaintiffs and Class members suffered injury and economic
 26 losses when Plaintiffs and Class members purchased the Chinese-made Composite
 27 Floors and incurred additional expenses to permanently incorporate them into real
 28 property in reasonable reliance upon the express warranties.

1 115. The following statutes reflect states that have enacted versions of the
 2 U.C.C. Code relating to express warranties: Ala. Code 1975 §7-2-313; Alaska Stat.
 3 §45.02.313; Ariz. Rev. Stat. §47-2313; Ark. Stat. §4-2-313; Cal. Com. Code §2313;
 4 Colo. Rev. Stat. Ann. §4-2-313; Conn. Gen. Stat. Ann. §42a-2-313; 6 Del. C. §2-
 5 313; D.C. Stat. §28:2-313; Fla. Stat. Ann. §672.313; Ga. Code Ann. §11-2-313;
 6 Haw. Rev. Stat. §490:2-313; Idaho Code §28-2-313; 810 Ill. Comp. Stat. Ann. 5/2-
 7 313; Ind. Code Ann. §26-1-2-313; Iowa Code Ann. §554.2313; Kan. Stat. Ann. §84-
 8 2-313; Ky. Rev. Stat. Ann. §355.2-313; 11 Me. Rev. Stat. Ann. §2-313; Md. Code
 9 Ann. §2-313; Mass. Gen. Laws. Ch. 106 §2-313; Mich. Comp. Laws Ann.
 10 §440.2.313; Minn. Stat. Ann. §336.2-313; Miss. Code Ann. §75-2-313; Mo. Rev.
 11 Stat. §400.2-313; Mont. Code Ann. §30-2-313; Nev. Rev. Stat. U.C.O §104.2313;
 12 N.H. Rev. Ann. §382-A:2-313; N.J. Stat. Ann. §12A:2-313; N.M. Stat. Ann. §55-2-
 13 313; N.Y. U.C.C. Law 2-313; N.C. Gen. Stat. Ann. §25-2-313; N.D. Stat. §41-02-
 14 313; Ohio Rev. Code Ann. §1302.26; Okla. Stat. tit. 12A §2-313; Or. Rev. Stat.
 15 §72.3130; 13 Pa. Stat. Ann. §2313; R.I. Gen. Laws §6A-2-313; S.C. Code Ann. §36-
 16 2-313; S.D. Stat. §57A-2-313; Tenn. Code Ann. §47-2-313; Tex. Bus. & Com. Code
 17 Ann. §2-313; Utah Code Ann. §70A-2-48 313; Va. Code §8.2-313; Vt. Stat. Ann.
 18 9A §2- 313; Rev. Code Wash. Ann. §62A.2-313; W. Va. Code §46-2-313; Wis. Stat.
 19 Ann §402.313; and Wyo. Stat. §34.1-2-313.

FOURTH CAUSE OF ACTION

Unjust Enrichment

20
 21 116. Plaintiffs re-allege and incorporate by reference the allegations set
 22 forth above.

23 117. Plaintiffs and Class members bring this claim in the alternative to their
 24 Breach of Warranty claims.

25 118. Defendant knowingly retained a benefit in the form of substantial
 26 revenues and payments from Plaintiffs and Class members for the Chinese-made

1 Composite Floors at the expense of Plaintiffs and Class members from Defendant's
 2 conduct and misrepresentations regarding the Chinese-made Composite Floors'
 3 compliance with CARB Formaldehyde Emission Standards, safety, and high
 4 quality.

5 119. Plaintiffs' and Class members' detriment and Defendant's
 6 enrichment are traceable to, and resulted directly and proximately from, the
 7 conduct challenged in this Complaint. Had Defendant not illegally marketed its
 8 Chinese-made Composite Floors, Plaintiffs and Class members would not have
 9 paid money to Defendant.

10 120. It would be inequitable for Defendant to retain the benefits it received
 11 and continues to receive from Plaintiffs and Class members without a payment to
 12 Plaintiffs and Class members.

13 121. Plaintiffs and Class members may have no adequate other remedy at
 14 law.

15 122. Plaintiffs and the Class seek disgorgement of and/or a constructive
 16 trust on all of the inequitable payments and profits Defendant retained from
 17 Plaintiffs and Class members.

19 FIFTH CAUSE OF ACTION

20 Deceit by Concealment

21 123. Plaintiffs re-allege and incorporate by reference the allegations set
 22 forth above.

23 124. Defendant willfully deceived Plaintiffs and Class members by
 24 concealing from them the true facts concerning the Chinese-made laminate flooring
 25 products' compliance with CARB Formaldehyde Emission Standards, safety, and
 26 quality, which Defendant was obligated to disclose. As set forth above, Defendant
 27 knew in advance of Plaintiffs' and Class members' use of the Chinese-made
 28 Composite Floors, the lack of the products' compliance with CARB Formaldehyde

1 Emission Standards, hazardousness of the products, and inferior quality of the
 2 products.

3 125. Defendant concealed and failed to disclose the foregoing facts to
 4 Plaintiffs, Class members, and the general public.

5 126. As a result of the deceit by concealment by Defendant, Plaintiffs and
 6 Class members suffered the injuries and damages set forth above, including the loss
 7 of money.

8

9 **SIXTH CAUSE OF ACTION**

10 **Negligent Misrepresentation**

11 127. Plaintiffs re-allege and incorporate by reference the allegations set
 12 forth above.

13 128. Defendant made false misrepresentations, as previously set forth
 14 herein, to Plaintiffs, Class members, and the general public, including without
 15 limitation, the misrepresentation that the Chinese-made Composite Floors were in
 16 compliance with CARB Formaldehyde Emission Standards, were safe, and were of
 17 high quality.

18 129. Defendant made such representations without reasonable grounds for
 19 believing them to be true. These representations were made directly by Defendant
 20 and its authorized agents on the Chinese-made Composite Floors' packaging and in
 21 publications and other written materials directed to the public, with the intention of
 22 inducing reliance and the purchase and use of the Chinese-made Composite Floors.

23 130. The foregoing representations by Defendant were in fact false. The
 24 Chinese-made Composite Floors are not compliant with CARB Formaldehyde
 25 Emission Standards, safe, or of high quality.

26 131. The foregoing representations by Defendant were made with the
 27 intention of inducing reliance on those misrepresentations so that Plaintiffs, Class

1 members, and others would purchase the Chinese-made Composite Floors and
 2 permanently incorporate them into real property.

3 132. In reliance on the above misrepresentations by Defendant, Plaintiffs
 4 and Class members were induced to purchase the Chinese-made Composite Floors
 5 and permanently incorporate them into real property. If Plaintiffs had known of the
 6 true facts and the facts concealed by Defendant, Plaintiffs would not have
 7 purchased the Chinese-made Composite Floors nor permanently incorporated
 8 them into real property.

9 133. Plaintiffs' reliance on the misrepresentations by Defendant was
 10 justified and reasonable in that such misrepresentations were made by individuals
 11 and entities that held themselves out as experts in composite and other flooring
 12 products, and were in a position to know the true facts.

13 134. As a result of the negligent misrepresentations by Defendant, Plaintiffs
 14 and Class members suffered the injuries and damages set forth above.

15 **SEVENTH CAUSE OF ACTION**

16 **Intentional Misrepresentation**

17 135. Plaintiffs repeat and re-allege the foregoing paragraphs, inclusive, and
 18 incorporates the same as if set forth herein at length.

19 136. Defendant made misrepresentations to Plaintiffs and the Class
 20 including that the Chinese-made Composite Floors were in compliance with CARB
 21 Formaldehyde Emission Standards, were safe, and were of high quality.

22 137. Defendant conducted a sales and marketing campaign to promote the
 23 sale of the Chinese-made Composite Floors and to willfully deceive Plaintiffs and
 24 the general public as to those products' compliance with CARB Formaldehyde
 25 Emission Standards, safety, and quality.

26 138. Defendant made the foregoing representations knowing that they were
 27 false. These representations were made directly by Defendant and their authorized

1 agents, in publications and other written materials directed to the public, with the
2 intention of inducing reliance and the purchase of the Chinese-made Composite
3 Floors and their permanent incorporation into real property.

4 139. The foregoing representations by Defendant were in fact false. The
5 Chinese-made Composite Floors were not compliant with CARB Formaldehyde
6 Emission Standards, were hazardous, and of inferior quality.

7 140. The foregoing representations by Defendant were made with the
8 intention of inducing reliance and the purchase of the Chinese-made Composite
9 Floors and their permanent incorporation into real property.

10 141. In reliance on the misrepresentations by Defendant, as set forth above,
11 Plaintiffs and the Class were induced to purchase of the Chinese-made Composite
12 Floors and to permanently incorporation into real property. If Plaintiffs and the
13 Class had known of the true facts and the facts that Defendant concealed, they
14 would not have purchased the Chinese-made Composite Floors nor permanently
15 incorporated them into real property.

16 142. Plaintiffs' and Class members' reliance on the intentional
17 misrepresentations by Defendant was justified and reasonable because such
18 misrepresentations were made and conducted by individuals and entities that were
19 in a position to know the true facts.

20 143. As a result of the intentional misrepresentations by Defendant,
21 Plaintiffs and Class members suffered the injuries and damages set forth above.

22 144. Defendant knew when they made the aforementioned representations
23 that the representations were false. Defendant intended that Plaintiffs and the
24 Class would reasonably rely on the representations. Plaintiffs and the Class did rely
25 on these representations in purchasing the Chinese-made Composite Floors and in
26 permanently incorporating them into real property, to Plaintiffs' detriment. In this
27 context, the conduct of Defendant constituted malice, oppression, and fraud.

1 Plaintiffs and the class are therefore entitled to recover punitive or exemplary
 2 damages.

3

4 **EIGHTH CAUSE OF ACTION**

5 **Unfair and Fraudulent Practices**

6 **(Cal. Bus. & Prof. Code §§ 17200, *et seq.*)**

7 145. Plaintiffs re-allege and incorporate by reference the allegations set
 8 forth above.

9 146. This cause of action is brought on behalf of Plaintiffs and members of
 10 the general public pursuant to the “unfair” and “fraudulent” prongs of California
 11 Business & Professions Code §§ 17200 *et seq.* (“UCL”), which provide that
 12 “unfair competition shall mean and include any unlawful, unfair or deceptive
 13 business act or practice and unfair, deceptive, untrue or misleading advertising and
 14 any act prohibited by Chapter I (commencing with Section 17500) as Part 3 of
 15 Division 7 of the Business and Professions Code.”

16 147. As alleged above, Plaintiffs have standing to pursue this claim because
 17 each Plaintiff has suffered injury in fact and has lost money or property as a result
 18 of Defendant’s actions as set forth herein. Specifically, prior to the filing of this
 19 action, Plaintiffs purchased Chinese-made Composite Floors that Lumber
 20 Liquidators unfairly, unlawfully, deceptively, and misleadingly represented were
 21 compliant with CARB Formaldehyde Emission Standards through labeling marked
 22 “CALIFORNIA 93120 Phase 2 Compliant for Formaldehyde,” as well as through
 23 various marketing statements detailed above.

24 148. In fact, the Defendant’s Chinese-made Composite Floors do not
 25 comply with CARB Formaldehyde Emission Standards.

26 149. In its marketing and advertising, Defendant makes false and
 27 misleading statements regarding the CARB Formaldehyde Emission Standards
 28 compliance, quality, and safety of its Chinese-made Composite Floors.

1 150. The misrepresentations by Defendant are material facts and constitute
2 an unfair and fraudulent business practice within the meaning of the UCL.

3 151. Defendant's business practices, as alleged herein, are unfair and
4 fraudulent because: (1) the injury to the consumer is substantial; (2) the injury is
5 not outweighed by any countervailing benefits to consumers or competition; and
6 (3) consumers could not reasonably have avoided the information because
7 Defendant intentionally mislead the consuming public by means of the claims made
8 with respect to the Chinese-made Composite Floors as set forth herein.

9 152. Defendant's business practices as alleged herein are fraudulent
10 because they are likely to deceive customers into believing that the Chinese-made
11 Composite Floors are compliant with CARB Formaldehyde Emission Standards,
12 are safe, and are of high quality, which they are not.

13 153. In addition, Defendant's use of various forms of advertising media to
14 advertise, call attention to or give publicity to the sale of goods or merchandise
15 which are not as represented in any manner constitutes unfair competition, unfair,
16 deceptive, untrue or misleading advertising, and an unlawful business practice
17 within the meaning of the UCL.

18 154. Defendant's wrongful business practices constituted, and constitute, a
19 continuing course of conduct of unfair competition because Defendant is marketing
20 and selling its Chinese-made Composite Floors in a manner likely to deceive the
21 public.

22 155. Plaintiffs and the putative class members were misled into purchasing
23 the Chinese-made Composite Floors by Defendant's deceptive conduct as alleged
24 above. Plaintiffs and other putative class members were misled because the
25 misrepresentations and omissions were uniform and material.

26 156. Pursuant to Bus. & Prof. § 17203, Plaintiffs and the Class members
27 seek an order of this Court enjoining Defendant from continuing to engage, use, or
28 employ its unfair and fraudulent practice of advertising the sale and use of the

1 Chinese-made Composite Floors. Likewise, Plaintiffs and the Class members seek
 2 an order requiring Defendant to cease claiming the Chinese-made Composite
 3 Floors comply with CARB Formaldehyde Emission Standards, are safe, and are of
 4 high quality,

5 157. Plaintiffs also request an order awarding Plaintiffs and the Class
 6 restitution of the money wrongfully acquired by Defendant by means of its false
 7 and misleading representations.

8 158. Plaintiffs have suffered injury in fact and have lost money as a result of
 9 Defendant's false and misleading representations.

10

11 **NINTH CAUSE OF ACTION**
 12 **Unlawful Business Practices**
 13 **(California Business & Professions Code §§ 17200 *et seq.*)**

14 159. Plaintiffs re-allege and incorporate by reference the allegations set
 15 forth in this Class Action Complaint.

16 160. This cause of action is brought on behalf of Plaintiffs and members of
 17 the general public pursuant to the "unlawful" prong of the UCL, which provides
 18 that "unfair competition shall mean and include any unlawful, unfair or deceptive
 19 business act or practice and unfair, deceptive, untrue or misleading advertising and
 20 any act prohibited by Chapter I (commencing with Section 17500) as Part 3 of
 21 Division 7 of the Business and Professions Code."

22 161. As alleged above, Plaintiffs have standing to pursue this claim as
 23 Plaintiffs have suffered injury in fact and have lost money or property as a result of
 24 Defendant's common actions. Specifically, prior to the filing of this action,
 25 Plaintiffs purchased Chinese-made Composite Floors that Lumber Liquidators
 26 unfairly, unlawfully, deceptively, and misleadingly represented were compliant
 27 with CARB Formaldehyde Emission Standards through labeling marked

1 “CALIFORNIA 93120 Phase 2 Compliant for Formaldehyde,” as well as through
2 various marketing statements detailed above.

3 162. Defendant engages in the sale and offering for sale of its Chinese-made
4 Composite Floors within California despite those products not being in compliance
5 with the statutory requirements of CARB Formaldehyde Emission Standards. Cal.
6 Code Regs., tit. 17 § 93120.2. Such actions are unlawful business practices.

7 163. In its marketing and advertising, Defendant makes false and
8 misleading statements regarding material facts — namely regarding its Chinese-
9 made Composite Floors’ compliance CARB Formaldehyde Emission Standards,
10 safety, and high quality — which are unlawful business practices.

11 164. Defendant’s business practices, as alleged herein, are also unlawful
12 because: (1) they violate sections 1770(a)(2), 1770(a)(3), 1770(a)(5), 1770(a)(7),
13 1770(a)(9) and 1770(a)(16) of the Consumer Legal Remedies Act, Civil Code §
14 1750, *et seq.*; and (2) they violate Business & Professions Code § 17500.

15 165. Pursuant to Business & Professions Code § 17203, Plaintiffs and Class
16 members seek an order of this Court enjoining Defendant from continuing to
17 engage, use, or employ its unfair and fraudulent practice of advertising the sale and
18 use of the Defendant’s Chinese-made Composite Floors. Likewise, Plaintiffs and
19 Class members seek an order requiring Defendant to cease claiming the Chinese-
20 made Composite Floors are compliant with CARB Formaldehyde Emission
21 Standards, are safe, and are of high quality.

22 166. Plaintiffs also request an order awarding Plaintiffs and Class members
23 restitution of the money wrongfully acquired by Defendant by means of its illegal
24 business practices.

25 167. Plaintiffs have each suffered an injury in fact and have lost money or
26 property as a result of Defendant’s illegal business practices.

TENTH CAUSE OF ACTION

False and Misleading Advertising

(California Business & Professions Code §§ 17500 *et seq.*)

168. Plaintiffs re-allege and incorporate by reference the allegations set forth above.

169. This cause of action is brought pursuant to California Business & Professions Code §§ 17500, *et seq.*, which provides that it is unlawful for any person or corporation, or any employee thereof “with intent directly or indirectly to dispose of real or personal property . . . or to induce the public to enter into any obligation relating thereto, to make or disseminate or cause to be made or disseminated before the public in this state, or to make or disseminate or cause to be made or disseminated from this state before the public in any state, in any newspaper or other publication, or any advertising device, or by public outcry or proclamation, or in any other manner or means whatever, including over the Internet, any statement, concerning that real or personal property . . . or concerning any circumstance or matter of fact connected with the proposed performance or disposition thereof, which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.”

170. In its advertising and marketing of the Chinese-made Composite Floors, Defendant makes false and misleading statements that the products are compliant with CARB Formaldehyde Emission Standards, are safe, and are of high quality.

171. Plaintiffs purchased the Chinese-made Composite Floors that Defendant unfairly, unlawfully, deceptively, and misleadingly represented are compliant with CARB Formaldehyde Emission Standards, are safe, and are of high quality. In fact, the Chinese-made Composite Floors are none of those things.

1 172. Defendant engaged in the deceptive conduct alleged above, which
2 included deceptive and untrue representations regarding the Chinese-made
3 Composite Floors, made to induce the public to purchase the product and to incur
4 additional expenses to permanently incorporate them into real property.

5 173. In its marketing and advertising, Defendant makes knowingly false and
6 misleading statements regarding the ingredients, characteristics, uses and benefits
7 of the Chinese-made Composite Floors.

8 174. Defendant is aware that the claims that it makes about the Chinese-
9 made Composite Floors are false and misleading.

10 175. In addition, Defendant's use of various forms of advertising media to
11 advertise, call attention to or give publicity to the sale of goods or merchandise
12 which are not as represented in any manner constitutes unfair competition, unfair,
13 deceptive, untrue or misleading advertising, and an unlawful business practice
14 within the meaning of Business & Professions Code §§ 17500, *et seq.*

15 176. There were reasonably available alternatives to further Defendant's
16 legitimate business interests, other than the conduct described herein.

17 177. Plaintiffs and Class members were misled into purchasing the
18 Chinese-made Composite Floors by Defendant's deceptive conduct as alleged
19 above.

20 178. Plaintiffs and Class members were misled and the misrepresentations
21 and omissions were uniform and material.

22 179. Pursuant to Business & Professions Code §§ 17203 and 17535,
23 Plaintiffs and Class members seek an order of this Court enjoining Defendant from
24 continuing to engage, use, or employ its practice of advertising the sale and use of
25 the Chinese-made Composite Floors by claiming those products are compliant with
26 CARB Formaldehyde Emission Standards, are safe, and are of high quality.

1 180. Plaintiffs also request an order awarding Plaintiffs and Class members
 2 restitution of the money wrongfully acquired by Defendant by means of
 3 responsibility attached to Defendant's false and misleading representations.

4 181. Plaintiffs have each suffered injury in fact and have lost money as a
 5 result of Defendant's false representations.

6

7 **ELEVENTH CAUSE OF ACTION**

8 **Violations of the Consumer Legal Remedies Act**
 9 **(Cal. Civ. Code § 1750, et. seq.)**

10 182. Plaintiffs re-allege and incorporate by reference the allegations set
 11 forth above.

12 183. Each individual Class Member qualifies as a "person" under Cal. Civ.
 13 Code § 1761(c).

14 184. The Class Members are "consumers," as defined by Cal. Civ. Code §
 15 1761(d).

16 185. The CLRA prohibits "unfair or deceptive acts or practices undertaken
 17 by any person in a transaction intended to result or which results in the sale or lease
 18 of goods or services to any consumer[.]" Cal. Civ. Code § 1770(a). Defendant has
 19 engaged in unfair or deceptive acts or practices that violated Cal. Civ. Code § 1750,
 20 *et. seq.*, by among other things, representing that the subject Chinese-made
 21 Composite Floors have characteristics, uses, benefits, and qualities which they do
 22 not have; representing that the subject Chinese-made Composite Floors are
 23 compliant with CARB Formaldehyde Emission Standards when they are not,
 24 representing that the subject Chinese-made Composite Floors are safe when they
 25 are not, and representing that the subject Chinese-made Composite Floors are of
 26 high quality when they are not.

27 186. In the course of its business, Defendant willfully and/or negligently
 28 failed to disclose that the subject Chinese-made Composite Floors are not

1 compliant with CARB Formaldehyde Emission Standards, are not safe, and are of
2 inferior quality. Defendant is directly liable for engaging in unfair and deceptive
3 acts or practices in the conduct of trade or commerce in violation of the CLRA.

4 187. Defendant knew or should have known that its conduct violated the
5 CLRA.

6 188. Defendant made material statements about the subject Chinese-made
7 Composite Floors' compliance with CARB Formaldehyde Emission Standards,
8 safety, quality that were either false or misleading. Defendant engaged in a
9 deceptive trade practice when it failed to disclose material information concerning
10 the subject Chinese-made Composite Floors that it knew at the time of the sale.

11 189. The Defendant owed the Class Members a duty to disclose the true
12 lack of compliance with CARB Formaldehyde Emission Standards, hazardousness,
13 and inferior quality of the subject Chinese-made Composite Floors. Failing to do so
14 not only constitutes a deceptive business practice but a serious health risk due to
15 the known and serious adverse health effects of exposure to high levels of
16 formaldehyde emissions.

17 190. The Defendant's unfair or deceptive acts or practices were likely to
18 deceive reasonable consumers, including the Class Members, about the true safety,
19 quality, and compliance of the Chinese-made Composite Floors.

20 191. At all times herein relevant, Defendant has known about the lack of
21 compliance with CARB Formaldehyde Emission Standards, hazardousness, and
22 inferior quality of the subject Chinese-made Composite Floors.

23 192. By failing to disclose the lack of compliance with CARB
24 Formaldehyde Emission Standards, hazardousness, and inferior quality of the
25 subject Chinese-made Composite Floors, and by failing to take corrective action
26 when it was aware of the lack of compliance with CARB Formaldehyde Emission
27 Standards, hazardousness, and inferior quality of the subject Chinese-made

1 Composite Floors, Defendant engaged in deceptive business practices prohibited
2 by the CLRA.

3 193. All members of the Class suffered ascertainable loss caused by the
4 Defendant's failure to disclose material information. The Class Members overpaid
5 for the Chinese-made Composite Floors and received a product that was different
6 than advertised and not what they intended to purchase.

7 194. The Class Members have been directly damaged by Defendant's
8 misrepresentations, concealment, and non-disclosure of lack of compliance with
9 CARB Formaldehyde Emission Standards, hazardousness, and inferior quality of
10 the subject Chinese-made Composite Floors.

11 195. Despite being aware of the issue, Defendant has failed to remedy the
12 situation.

13 196. Under Cal. Civ. Code § 1780(b), the Class members seek an additional
14 award against Defendant of up to \$5,000 for each California Class member who
15 qualifies as a "senior citizen" or "disabled person" under the CLRA. Defendant
16 knew or should have known that their conduct was directed to one or more Class
17 members who are senior citizens or disabled persons. Defendant's conduct caused
18 one or more of these senior citizens or disabled persons to suffer a substantial loss
19 of property set aside for retirement or for personal or family care and maintenance,
20 or assets essential to the health or welfare of the senior citizen or disabled person.
21 One or more Class members who are senior citizens or disabled persons are
22 substantially more vulnerable to Defendants conduct because of age, poor health or
23 infirmity, impaired understanding, restricted mobility, or disability, and each of
24 them suffered substantial physical, emotional, or economic damage resulting from
25 Defendant's conduct.

26 197. Pursuant to Civil Code § 1782, concurrently with the filing of this
27 Complaint, Plaintiffs will notify Defendants in writing by certified mail of the
28 alleged violations of section 1770 and demand that the same be corrected. If

1 Defendant fails to rectify or agree to rectify the problems associated with the action
 2 detailed above within 30 days of the date of written notice pursuant to Civil Code §
 3 1782, Plaintiffs will amend this Complaint to add claims for actual, punitive and
 4 statutory damages, as appropriate in accordance with Civil Code § 1782(a) & (d).

5

6 **TWELFTH CAUSE OF ACTION**

7 **Violation of the Illinois Consumer Fraud and Deceptive Business Practices**

8 **Act**

9 **(815 ILCS 505/1, *et seq.*)**

10 198. Plaintiffs re-allege and incorporate by reference the allegations set
 11 forth above.

12 199. Plaintiffs and Class members are consumers as that term is defined by
 13 the Illinois Consumer Fraud Act (Ill. Comp. Stat. Ann Chapter 815§ 505/1(e)).

14 200. Defendant is the designer, manufacturer, promoter, marketer,
 15 developer, seller, or distributor of the Composite Floors, and is a “person”
 16 engaged in “advertising” and “sale” of those Composite Floors as those terms are
 17 defined by the Illinois Consumer Fraud Act (Ill. Comp. Stat. Ann Chapter 815§
 18 505/1(a), (c) and (d)).

19 201. The Composite Floors are “merchandise” as defined by the Illinois
 20 Consumer Fraud Act (Ill. Comp. Stat. Ann Chapter 815§ 505/1(b)).

21 202. The purchase and sale of the Composite Floors is “trade” and
 22 “commerce” as defined by the Illinois Consumer Fraud Act (Ill. Comp. Stat. Ann
 23 Chapter 815§ 505/1(f)).

24 203. As alleged more fully above, Defendant committed deceptive trade
 25 practices by knowingly making false representations and omitting and concealing
 26 material information regarding the Composite Floors’ characteristics and alleged
 27 benefits and failing to disclose material information regarding known risks,
 28 including safety and compliance with CARB regulations, while manufacturing,

distributing, and/or selling the Composite Floors for purchase and use by consumers, including Plaintiffs and the Class.

204. Defendant's actions are deceptive and in clear violation of the Illinois Consumer Fraud and Deceptive Business Practices Act, entitling Plaintiffs and the Class to damages and relief.

205. Plaintiffs are consumers within the meaning of Illinois' Consumer Fraud and Deceptive Business Practices Act, who were deceptively and unlawfully induced to purchase the Composite Floors by Defendants.

206. The Illinois Consumer Fraud Act makes unfair and/or deceptive trade practices in the conduct of any trade or commerce illegal.

207. The Illinois Consumer Fraud Act creates a private right of action for individuals who are aggrieved by an unfair and/or deceptive trade practice by another person.

208. The Illinois Consumer Fraud Act provides that the prevailing party in litigation arising from a cause of action pursuant to the Act shall be entitled to recover monetary damages.

209. As a result of Defendant's unfair and deceptive trade practices, Plaintiffs and the Class are entitled to monetary recovery.

PRAYERS FOR RELIEF

Wherefore Plaintiffs and the Class pray that judgment be entered against the Defendant for the following relief:

1. Declaring this action may be maintained as a class action pursuant to Federal Rules of Civil Procedure, Rule 23, and for an order certifying this case as a class action and appointing Plaintiffs as the Class representatives;
 2. Declaring that the Defendant's advertising and sales of its Chinese-made Composite Floors that are not compliant with CARB Formaldehyde

Emission Standards, safe, and of high quality, was wrongful and misleading;

3. A permanent injunction against Defendant from making any claims that its Chinese-made Composite Floors found to violate the law are compliant with CARB Formaldehyde Emission Standards, safe, or of high quality;
 4. Restitution of all purchases of Chinese-made Composite Floors by Plaintiffs and Class members, in an amount to be determined at trial;
 5. Disgorgement of all ill-gotten gains Defendant's derived from their misconduct;
 6. Actual damages according to proof;
 7. Compensatory damages caused by the Defendant's unfair and deceptive practices;
 8. Punitive damages as to the Fourth, Tenth, and Twelfth Causes of Action only;
 9. Pre-judgment and post-judgment interest at the maximum rate permitted by law;
 10. Attorney's fees, costs, and expenses incurred related to bringing this action; and
 11. Any additional relief as the Court deems proper.

Dated: March 16, 2015

CASEY GERRY SCHENK FRANCAVILLA
BLATT & PENFIELD LLP

s/ Gayle M. Blatt
Gayle M. Blatt, Esq.
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1
2 **DEMAND FOR JURY TRIAL**
3

4 Plaintiffs demand a jury trial on all issues so triable alleged above.
5

6
7 Dated: March 16, 2015
8

9 CASEY GERRY SCHENK FRANCAVILLA
10 BLATT & PENFIELD LLP
11

12 s/ Gayle M. Blatt
13 Gayle M. Blatt, Esq.
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